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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/804,631	03/19/2004	Michael J. Burns	02-184-C	7851
36910 7590 01/23/2009 MBHB/TRADING TECHNOLOGIES 300 SOUTH WACKER DRIVE SUITE 3200 CHICAGO, IL 60606				
EXAMINER LEMIEUX, JESSICA				
ART UNIT 3693		PAPER NUMBER		
MAIL DATE 01/23/2009		DELIVERY MODE PAPER		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

### Office Action Summary

**Application No.**

10/804,631

**Applicant(s)**

BURNS ET AL.

**Examiner**

JESSICA L. LEMIEUX

**Art Unit**

3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 29 October 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 17-25 and 32 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 17-25 & 32 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-8508)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

1. This Non-Final Office action is in response to the application filed on March 19<sup>th</sup>, 2004 and in response to the applicant's arguments/amendments filed on October 29<sup>th</sup>, 2008. Claims 17-25 and 32 are pending.

#### ***Continued Examination Under 37 CFR 1.114***

2. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on October 29<sup>th</sup>, 2008 has been entered.

#### ***Response to Arguments***

3. Applicant's arguments with respect to claims 17-25 and 32 have been considered but are moot in view of the new ground(s) of rejection.

#### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

4. Claims 17-25 and 32 are rejected under 35 U.S.C. 101 because the claims must be (1) tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. If neither of these requirements is met by the claim, the method is not a patent eligible process under § 101 and should be rejected as being directed to non-statutory subject

matter. Merely having "another statutory class" in the preamble and not in the body of the claim is also not sufficient to render the claim statutory.

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a § 101 statutory process, the claim should positively recite the other statutory class (the thing or product) to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 17 and 32 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 17 and 32 recite "detecting an event." Examiner notes that an event can encompass any change to the tradeable object including no change. Examiner further notes that Applicant is urged to further specify what activities can or should be considered detectable, to distinctly claim the subject matter which they regard as their invention.

The following is a quotation of the fourth paragraph of 35 U.S.C. 112:

A claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in dependent form shall be construed to incorporate by reference all the limitations of the claim to which it refers.

6. Claim 25 is rejected under 35 U.S.C. 112, fourth paragraph. Claim 25 fails to incorporate all the limitations of the independent claim. Further, the dependent claim 25 can be infringed upon since you can have the product without having the method.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 17-25 and 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over United States Patent Number 7,177,833 to Marynowski et al. (hereinafter Marynowski) and US Patent Application US2004/0267655 to Davidowitz et al. (hereinafter Davidowitz) in view of US Patent Application US2003/0069830 to Morano et al. (hereinafter Morano).

As per claims 17 and 32

Marynowski discloses detecting an event in a first tradeable object, wherein the first tradeable object and a second tradeable object are part of a spread for spread trading, (column 9, line 7-14 & 54-67, column 10, lines 1-6 and column 17, line 48-column 18, line 3), based on the event, characterizing the first tradeable object as being bought or sold, selecting a buy side or a sell side of the second tradeable object based on whether the first tradeable object was characterized as being bought or sold (column 9, lines 22- 53 and column 17, line 48-column 18, line 3). Examiner notes that although Marynowski does not explicitly state a tradeable object has been bought or sold, it is inherent that in order for the Marynowski invention to work, this step would have to be done. However, for sake of compact prosecution Davidowitz also teaches detecting an event in a first tradeable object, wherein the first tradeable object and a second tradeable object are part of a spread for spread trading and based on the event characterizing the first tradeable object as being bought or sold, selecting a buy side or a sell side of the second tradeable object based on whether the first tradeable object was characterized as being bought or sold (paragraph [0038]).

Marynowski teaches calculating a theoretical value for the traded item in real time when one or more of the underlying factors that affect the theoretical value changes (column 7, lines 18-26). Marynowski does not specifically teach estimating a spread value for the spread based on a first value associated with the event in the first tradeable object and based on a second value associated with the selected buy side or sell side of the second tradeable object.

Morano teaches spread trading wherein the first tradeable object and the second tradeable object are different (inter-commodity spread) and estimating a spread value (implied) for the spread based on a first value associated with the event in the first tradeable object and based on a second value associated with the selected buy side or sell side of the second tradeable object (Figure 8, paragraphs [0010, 0020-0027, 0038, 0044, 0051-0056]).

Therefore it would have been obvious to one skilled in the art at the time of invention to modify the spread trading system of Marynowski to include spread trading wherein the first tradeable object and the second tradeable object are different (inter-commodity spread) and estimating the spread value based on a first value associated with the event in the first tradeable object and based on a second value associated with the selected buy side or sell side of the second tradeable object as taught by Morano to calculate the cost associated with making more informed decisions regarding whether or not to trade and to encompass inter-commodity spreads.

As per claim 18

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses the first tradeable object is characterized as being bought when the last traded price of the first tradeable object is at or below a highest bid price (column 17, line 48- column 18, line 3).

As per claim 19

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses the first tradeable object is characterized as being sold when the last traded price of the first tradeable object is at or above a lowest offer price (column 17, line 48- column 18, line 3).

As per claim 20

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses the first tradeable object is characterized as being bought or sold based on if the last traded price of the first tradeable object is nearer to a highest bid price or a lowest offer price, respectively (column 17, line 48- column 18, line 3).

As per claim 21

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses selecting the buy side or sell side of the second tradeable object results in characterizing the second tradeable object as being bought or sold, respectively (column 9, lines 22- 53 and column 17, line 48-column 18, line 3).

As per claim 22

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses selecting the corresponding buy side or sell side of the second tradeable object is further based on a spread definition (Abstract and column 9, line 22- column 10, line 6).

As per claim 23

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses the second value represents a highest bid price for the second tradeable object when the sell side is selected or a lowest offer price for the second tradeable object when the buy side is selected (column 9, line 3-36).

As per claim 24

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses the second value represents a midpoint between the highest bid price and the lowest ask price for the second tradeable object (column 9, line 3-36).

As per claim 25

Examiner notes that the combination of Marynowski, Davidowitz and Morano teach all the claimed limitations, as discussed with respect to claim 17 above and Marynowski further discloses a computer readable medium having stored therein executable instructions (column 4, line 64- column 5, line 24 and column 7, lines 31-33).

### ***Conclusion***

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to JESSICA L. LEMIEUX whose telephone number is (571)270-3445. The examiner can normally be reached on Monday-Thursday 8AM-5PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Jessica L Lemieux  
Examiner  
Art Unit 3693

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Examiner, Art Unit 3693  
January 2009

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